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SUBJECT: LONG-TERM IMPLICATIONS OF THE FRENCH EU PRESIDENCY

REF: A. 08 PARIS 1997

[1](#)B. PARIS 0011

[1](#)C. PARIS 0102

Classified By: Political Minister-Counselor Kathleen Allegrone for reasons 1.4 b and d.

[1](#)1. (SBU) Summary. France's EU presidency ended amidst much French acclaim and a boost for President Sarkozy, who is widely viewed to have maximized the opportunities and reaped the domestic benefits presented by the EU leadership role. To many observers, the French EU presidency confirmed what the EU can accomplish with strong leadership, a legacy that in principle should be cemented with the eventual ratification of the Lisbon Treaty. Under Sarkozy, the French made progress on their ambitious goals in ESDP, climate change, and energy, while also providing EU leadership in the Russia-Georgia conflict and the global economic crisis. However, breakdowns in coordination within the French government and with the Czechs in the final days of the presidency, coupled with President Sarkozy's professed intention to continue to seize the initiative -- as evinced by his activism on the Gaza conflict -- created awkward dynamics in EU diplomatic circles. Despite some complaints about French steamrolling of other member countries (which multiplied towards the end of the Presidency period), most observers agree that the French Presidency was an overall success, with the cancellation of the EU-China summit one of the few visible failures. Even as the torch has officially passed to Prague, an emboldened Sarkozy is maintaining as much personal momentum as possible on the Union for the Mediterranean, the Middle East, the global financial crisis, and any other international issue on which he can muster sufficient credibility to claim a leadership role. Sarkozy also remains engaged in European affairs, taking a personal role developing in his party's ticket for the June 2009 European Parliament elections. End summary.

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THE SCORECARD: KEY OBJECTIVES  
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[1](#)2. (SBU) Since ref A's midterm assessment, the French presidency produced tangible progress on all its remaining EU objectives. With immigration neatly wrapped up at the midterm, agriculture, European Security and Defense Policy (ESDP), and energy and environment remained. Regarding agriculture, the French fell short of their ambitious aims but nonetheless advanced their agenda (see ref B for detailed summary and analysis). The French also achieved modest progress on ESDP, while maintaining a low profile in light of the ongoing Lisbon Treaty ratification process. The major highlight was the launch of an ESDP maritime mission to counter piracy off the coast of Somalia, led by the oft-skeptical UK. The mission secured naval assets beyond expectations and quickly began to thwart pirate attacks, raising in the media the EU's profile as a security provider. Many other incremental accomplishments, such as establishment of a military cadet exchange program, may with time promote the French goal of making intra-European defense cooperation standard operating procedure.

13. (C) Energy and environment, as expected, proved the most difficult of the four priorities on which to achieve progress, particularly with the global economic downturn. The French diplomatic machine, including Sarkozy himself, launched an all-fronts offensive to attain an accord. While the French "banged many heads" and may have left the room "with few friends," according to UK diplomat Olivier Evans, the last-minute agreement at the December European Council still constituted a big victory (though Evans noted that some countries still smarting from French tactics may try to exploit known differences at the 2009 UNFCCC conference in Copenhagen). President Sarkozy also assured the European Parliament's potentially difficult approval, essentially daring parliamentarians to kill an accord that already had the approval of 27 heads of state.

14. (C) The French presidency's handling of its first EU institutional crisis -- the failure of the Irish referendum on the Treaty of Lisbon -- was also praised by EU observers like Evans. Sarkozy spent most of the presidency officially in listening mode, maintaining quiet pressure for a solution while leaving responsibility for finding a way to reverse the earlier vote firmly to the Irish. With a final agreement on the Irish plan for a second referendum, plus the agreement on energy and environment, the December 11-12 European Council meeting marked the culmination of the French presidency. Officially, the only blot on the French record may be the cancellation of the EU-China summit in a fit of pique over Sarkozy's plan to meet the Dalai Lama. Our EU contacts were supportive of Sarkozy's decision to meet the Dalai Lama, which many European leaders had already done, and

PARIS 00000134 002 OF 004

acknowledged that the summit itself was mostly symbolic. However, they were critical of French mishandling of the relationship, with Greek diplomat Dimitris Angelosopoulos faulting the French completely, while Swedish diplomat Kristina Bergendal said the French merely allowed the Chinese to exploit European divisions.

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RAVE REVIEWS IN PARIS  
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15. (SBU) Immediately following the December European Council meeting, French media outlets handed President Sarkozy a congratulatory bouquet of favorable wrap-ups of the French presidency. In addition to emphasizing the accomplishments of French leadership, the mainstream press reveled in Sarkozy's leadership at the expense of a euroskeptic incoming Czech presidency, preoccupied Angela Merkel and Gordon Brown, and a U.S. government entering a transition. Though the final "emergency" meeting of EU foreign ministers on December 30 to address the Gaza crisis provoked some private complaints among diplomats about French grandstanding, media outlets reiterated their previous conclusion that the French presidency had seized an opportunity for the EU to weigh in effectively on key international matters.

16. (SBU) In fact, Sarkozy's most visible leadership efforts were directed to broader international crises rather than inter-EU wrangling. His "shuttle diplomacy" approach to crises like Georgia apparently resonated with the French public. In December, one survey showed some 56 percent of French people viewed President Sarkozy's handling of the EU presidency favorably -- a figure that outstripped his approval ratings as president of France, which have hovered in the mid-40s since September. In fact, President Sarkozy's climb in the polls -- from 37 percent approval in June 2008 to 47 percent in a January 14 survey -- is largely thanks to his stewardship of the EU and how he reacted to crises during his tenure as EU president, according to polling agency IFOP's political analysts. Even prominent left-of-center commentators such as Daniel Cohn-Bendit, a Green Party European Parliamentarian, acknowledged Sarkozy's effective

responses to the crises that arose.

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TENSIONS WITHIN THE EU  
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17. (C) To many EU diplomats in Paris, however, the French presidency's coordination effort was increasingly erratic in its final months. With high ambitions, rapidly evolving international situations, and a perceived absence of leadership elsewhere, both President Sarkozy and Foreign Minister Kouchner unveiled initiatives that were not only poorly coordinated within the French government, but also undertaken at the expense of their EU and international partners. The Afghan neighbors' meeting in mid-December was one example, where, despite French promises to the contrary, the final chairman's statement was not coordinated with the UN or the Afghan government. Sarkozy's proposals of a "G-4" meeting and a Eurogroup, as well as "Bretton Woods II," to deal with the worsening international financial crisis caught many by surprise. Visible differences with the Czech presidency team grew along with general grumbling from EU insiders, weary from perpetual catch-up, that the success of the French presidency team's first half had gone to its head. (Note: This marked a turnaround from ref A midterm report, in which French efforts to reach out to EU partners were praised.)

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A TENSE TORCHPASSING WITH PRAGUE  
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18. (C) The Czech Republic's failure to ratify the Lisbon Treaty, its Euro-skeptic president, non-Eurozone status, and this being Prague's first turn at the EU presidency helm have all shaped low French expectations for the Czech presidency. The perception of a leadership vacuum in Europe in early 2009 left open the tantalizing prospect of France filling the void. The Czech response was predictably cool to a December press frenzy about Sarkozy retaining chairmanship of the Eurogroup, the northern chairmanship of the Union for the Mediterranean (UfM), or -- why not? -- the EU itself. The two countries did reach an accord, however, under which France would retain a role in the Union for the Mediterranean (seen as a quid pro quo for French support of the Czech priority of pursuing the Eastern Partnership initiative) although the French MFA later had to issue a clarification that the Czechs would still take the lead representing the EU within the fledgling UfM. Tensions with the Czechs were exacerbated by Sarkozy's announcement of a global conference on "the new capitalism" that he convened in Paris in early

PARIS 00000134 003.3 OF 004

January, together with former UK PM Tony Blair, with no coordination with the Czech presidency. Czech diplomat Petra Rubesova admitted in December that "relations with the French have never been this bad." There was a corresponding lack of ceremony in the official handover, with the French sending the junior minister for European affairs off to Prague on January 7 for the torchpassing, although FM Kouchner, conveniently preoccupied by the Gaza crisis in December, himself had participated in the handover ceremony to the French from the Slovenes.

19. (C) President Sarkozy's activism in the Gaza crisis in early January also raised some eyebrows, particularly as his bilateral travels on the heels of the EU team (that included Kouchner) at best overshadowed efforts under the EU banner. Following the meeting in Sharm-el-Sheikh, Sarkozy announced his desire for a peace conference in Paris, again going around the Czech presidency (and without consulting most of the major Middle East partners). Though Czech exchange diplomat Michaela Fronkova told us the Czech Republic cannot expect to intervene as actively in international situations due to its relatively limited capacity compared to France, we judge there is high potential for further tension between the

former and current presidencies, as President Sarkozy makes good on his vow to continue taking initiatives wherever he can. French forbearance, in this context, has been remarkable with respect to the Russia/Ukraine crisis over gas supplies to Europe, although French officials have not hidden from us their disagreement with Prague's approach to resolving the dispute (ref C).

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A WEAKENED BRUSSELS?  
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¶10. (C) While deferring to USEU for definitive analysis, we note that in Paris diplomatic circles, consensus prevails that strong French leadership came at the expense of Brussels' influence, reducing Commission President Barroso to Sarkozy's sidekick and the Commission to the Council's secretariat. Barroso aided Sarkozy in the former's seeming willingness to take a back seat, perhaps due to his nonconfrontational leadership style or his desire for reappointment in 2009. This played well with countries that are traditionally more suspicious of EU power in Brussels. For example, UK diplomat Evans expressed his government's satisfaction with the resurgent intergovernmental dynamic that reduced the role played by EU bureaucrats, perhaps reflecting the typical preference of a "large country" to exert greater "national" influence over that of the EU Commission. His Swedish counterpart Bergendal concurred, adding that Swedish and European publics on the whole remain uninformed about Brussels and thus suspicious of its institutions. Perhaps one of the few areas in which Sarkozy visibly deferred to Brussels' interests -- or anyone's -- concerned Turkey-EU relations. While remaining vocally opposed to Turkish accession, Sarkozy made a pragmatic compromise decision to continue opening accession chapters for negotiation that would not presuppose EU membership.

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WHAT TO EXPECT FROM FRANCE  
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¶11. (C) The French may feel they have "unfinished business" on agriculture and ESDP, which they will continue to promote in the EU. The Czech and Swedish presidencies in 2009 will continue the presidency "trio" agenda on immigration and energy and climate, in particular. Bergendal advised that Sweden welcomed France's accomplishments in ESDP and will seek to bolster its civilian components. She reported good atmospherics between France and Sweden, saying Sarkozy's strong leadership and action orientation add impetus to often laborious EU efforts. While suggesting Sarkozy's leadership efforts in the Middle East may be consistent with France's current ongoing shared Union for the Mediterranean co-presidency with the Czech Republic, Sweden will not follow suit when it assumes the EU presidency in July. Nonetheless, the Swedes' pragmatic view suggests fewer sparks between Paris and Stockholm.

¶12. (C) Fresh from his EU success, President Sarkozy will do as much as possible with the leadership platforms France still holds, as it has done with the rotating UN Security Council presidency for January. The Union for the Mediterranean, originally Sarkozy's brainchild, has made limited progress but may be stalled anew by the resurgence of regional polarization over Israel's inclusion following the crisis over Gaza. The initiative is moreover still dealing with the bureaucracy it inherited from the Barcelona Process, leading Greek diplomat Angelosopoulos to question whether the French can really influence the organization's development or whether Brussels alone will set the pace. We have most

PARIS 00000134 004 OF 004

recently heard indications that these institutional growing pains will, assuming everything else goes well, pale into insignificance once the UfM tries to figure out how it will finance its myriad projects, given the firm refusal

of Arab countries, long used to being beneficiaries of aid under the Barcelona Process, to entertain "creative financing" schemes that would require them to contribute a share. Nonetheless, the French will seize any opportunity to consolidate the Union's development in the first six months of 2009, and, at a minimum, will use its grasp on the northern co-presidency as a bully pulpit.

¶13. (C) On the domestic front, Sarkozy has clearly benefited from the media-furthered perception that under his leadership France has regained its dynamism as a global actor. His frenetic response to the global financial crisis gave the impression of leadership, while his calls for "a new Bretton Woods" may have resonated well with long-standing French fears of domination by the "Anglo-Saxon" economic model. He has agitated for politically popular causes like immigration reform and extension of EU agricultural subsidies that are important to France's still significant rural population. Sarkozy has also taken care to respect French sensitivities, such as by officially conditioning a not-yet-formal decision to rejoin NATO military command structures on progress in ESDP. Whether Sarkozy's short-term boost in popularity will be sustained is uncertain. He has backpedaled in recent months on various domestic reform measures, and the political climate will likely remain difficult as the economic crisis wears on. President Sarkozy faces little organized opposition in French politics, due to his successful cooptation of potentially dissonant voices, the Socialist Party's disarray, and the relative absence of electoral contests before presidential elections on the distant horizon in 2012, yet his best hope for retaining popularity may be continued international activism. It is worth keeping in mind that one exception to the absence of electoral challenges Sarkozy faces before 2012 will be the June 2009 European Parliament elections. Sarkozy is already trying to engineer a strong ruling party (UMP) ticket to counter the center-right's tendency, under a center-right president, to lose ground to the Left in these polls. He will no doubt count on the fading positive memories of his handling of the French EU presidency just ended to help UMP prospects. We would not rule out an opportunistic play by Sarkozy to take center stage within the EU, irrespective of who actually holds the presidency.

PEKALA